

Lockheed Martin Space Systems
1111 Lockheed Martin Way
Sunnyvale, CA 94089

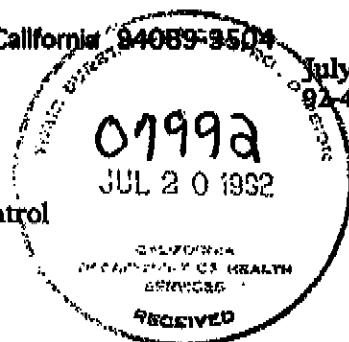


Exhibit B



1111 Lockheed Way, Sunnyvale, California 94089-3509

Ms. Monica Gan
Staff Services Analyst
Site Mitigation Branch
Cal-EPA, Dept. of Toxic Substances Control
700 Heinz Ave., Bldg. F
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July 17, 1992
92-4710-30509

SUBJECT: RESPONSE TO DTSC LETTER, DATED 5/22/92, REQUESTING INFORMATION FROM COMPANIES WHO DID BUSINESS WITH BADC

REFERENCES:

- (1) LETTER TO DTSC FROM H. K. WILLARD, LMSC, DATED 6/4/92;
REQUEST FOR COPY OF ALL DTSC RECORDS ON TRANSACTIONS
BETWEEN BADC AND LOCKHEED AND REQUEST FOR TIME EXTENSION
TO RESPOND TO DTSC LETTER DATED 5/22/92
- (2) LETTER TO DTSC FROM H. K. WILLARD, DATED 6/17/92;
DOCUMENTATION OF GRANTED EXTENSION

Dear Ms. Gan:

This letter is in response to the DTSC request, dated May 22, 1992, requiring that Lockheed Missiles and Space Company Inc., (LMSC) provide information about transactions between LMSC and BADC. On June 15, 1992, DTSC granted LMSC a 30-day extension (until July 21, 1992) to submit our response.

We have performed a thorough search of LMSC records and have found no records indicating a business relationship between the parties. However, we have obtained verbal information about a business relationship between the parties from interviewing long-term LMSC employees who worked at the LMSC reclamation yard and at our Material Sales Department at that time. These LMSC employees recall that LMSC had sold empty drums to BADC in the early 1980s.

Our review of the available DTSC records indicates that between 1980 and 1983 LMSC sold empty "#1 and #2 oil-top bung" 55-gallon drums in "good condition". The average price LMSC received for the drums was \$4.80 per drum (price ranged from \$4.00 to \$5.51 per drum). Upon observing that BADC sometimes paid considerably less for other parties' drums, this price appears to indicate that the drums were of very good quality.

The following answers are in response to the questions posed to LMSC in the DTSC letter dated May 22, 1992. The DTSC questions are reiterated, in italics, and our answers follow.

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1.

Q: The approximate number of drums shipped to BADC between 1948 through 1987

A: LMSC has been in Northern California since 1956. We have searched our available records for this period and have found no records indicating that drums were sent to BADC. Based on the DTSC records the approximate number of drums sold by LMSC to BADC between 1980 and 1983 was 1200.

2.

Q: The nature of the substances contained in the subject drums

A: The drums sold to BADC were empty and are believed to have originally contained virgin oil prior to being emptied.

3.

Q: The type and capacity of each drum

A: Based on the DTSC records the empty drums were "#1 and #2 oil-top bung 55-gallon drums in good condition". According to an interview with an LMSC employee, the LMSC drums handled for sale during the period of sale were of the 55-gallon 17E steel type.

4.

Q: The disposition of the subject drums after the substances were used

A: The drums in question were emptied and sold to BADC. LMSC has no information about the disposition of the drums after they were sold to BADC.

5.

Q: The residual level in each drum after they were shipped offsite

A: The drums sold to BADC were empty.

6.

Q: Methods used to determine the residual levels in each drum

A: At that time, the LMSC standard operating practice was to pump out oil from drums then to turn the drums upside down on a sloped concrete pad. The common practice was to have drums remain upside down overnight and drain until emptied. Any residual oil was drained during this time through an opening into a concrete sump, which was located beneath the concrete pad.

7.

Q: Were drums sent to the BADC for reconditioning?

A: The empty drums were sold to BADC for an average price of \$4.80 each and we have no information on what BADC did with them once they bought them. LMSC did not send drums to BADC for reconditioning and return to LMSC for our re-use.

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8.

Q: *Were drums sent to the BADC for disposal?*

A: No, the empty drums were not sent to BADC for the purpose of disposal.

If you have any questions or require additional information please contact me at (408) 742-7661 or Marty Laporte at (408) 742-0271, or at the address below.

Sincerely,

LOCKHEED MISSILES & SPACE COMPANY, INC.



H. K. Willard
Supervisor
Environmental Protection Programs
LMSC -O/47-10 B/101
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cc:
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